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**SB930: An Act Concerning the Cigarette Tax, the Tobacco Products Tax and the Alcoholic Beverages Tax
February 23, 2009**

My name is Dr. Pat Checko. I am the Chairman of the MATCH Coalition; Mobilizing Against Tobacco for Connecticut's Health. I am here to support passage of Senate Bill #930 that would increase the cigarette tax by \$0.50, the tax on wholesale sales of snuff products by 5% and the tax on each ounce of snuff products by \$0.10.

Connecticut's \$2.00 per pack tax on cigarettes ranks 6th in the country, with all of the surrounding states having higher taxes. Massachusetts is first in the country at \$2.75 and the Rhode Island legislature is considering an increase to \$3.46. Research has shown that each 10% cigarette price increase reduces youth smoking rates by 6.5%, adult rates by 2%, and total consumption by 4% (adjusted down to account for tax evasion effects).

For too long taxes on snuff products have been drastically lower than cigarette and these proposed tax increases are warranted. In addition, as the price of cigarettes has increased, more youth and adults have turned to chewing tobacco to satisfy their addiction. Five percent of CT high school students were snuff users in 2007.

However, MATCH and other members of the Campaign for Sensible Tobacco Policy (CSTOP) feel that legislature should increase the cigarette tax increase to \$1.00, from \$2.00 to \$3.00 and dedicate a portion of that revenue to funding state Medicaid coverage of cessation services and the state telephone Quitline smoking cessation program. The projected revenue from this increase would be \$51 million per year. The projected cost of funding Medicaid coverage and the Quitline is \$12.1 million per year (Medicaid at \$7.1 million and the Quitline at \$5 million). Such an appropriation to help people stop smoking would save lives, reduce health care costs due to smoking and bring in additional federal revenue to the state.

Connecticut remains one of seven states without any smoking cessation coverage for Medicaid clients, despite passing legislation in 2005 authorizing such coverage. There are currently about 105,000 adult Medicaid clients and about 37,800 of them smoke (36%). Using cost projects from the DSS 2006 report to the legislature, we estimate the cost for a smoking cessation program for Medicaid clients that includes both counseling and nicotine replacement at \$7.1 million per year. Since the state would be eligible for 50% federal matching funds, there would be an additional \$3.6 million in federal funds from this program.

Telephone quitlines provide a method to disseminate smoking cessation programs to communities that are population based and effectively implement the best available practices. In 2004, an expert panel recommended funding a national telephone quitline as a means of reaching more smokers, reaching 5 million quitters per year and saving 3 million lives over the next two decades. Studies have shown that Quitlines that combine behavioral counseling and medications have significantly higher abstinence rates (28%) than medication and counseling alone.

MOBILIZE AGAINST TOBACCO FOR CONNECTICUT'S HEALTH



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The Tobacco and Health Trust fund has elected to spend \$2 million on a state Quitline this year. That single investment is insufficient to have a long term effect on smoking. We need more funds that can be sustained over time to make a real difference.

Using current costs for Quitline services, the Tobacco and Health Trust Fund Board determined that \$2 million could reach 11,672 callers and provide a multiple call program to all with a two week starter kit to insured and 8 weeks delivered in 2, 4 week shipments to uninsured and Medicaid participants. This is a penetration rate of just less than 2% (1.74%) of the adult smoking population in Connecticut. Increasing this amount to \$5 million would increase the penetration rate to about 5% of smokers (about 21,000 per year).

Adopting a \$1.00 cigarette tax increase would be a win-win for both state revenues and the public's health. The state would increase the general fund by about \$43 million and keep 25,300 kids from becoming addicted smokers, have 10,900 fewer smokers and save \$546.3 million in long-term health savings from adult and youth smoking declines. In these times of economic crisis and increasing health care costs, this would be a bold and fiscally wise action.

Patricia J. Checko, Dr. P.H.

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